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May 31, 2000

Via Hand-Delivery

K. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37219

Re: Application of Nashville Gas Company, a Division of Piedmont Natural Gas Company, Inc. for an Adjustment in its Rates and Charges, the Approval of Revised Tariffs and the Approval of Revised Service Regulations – Docket No. 99-00994

Dear Mr. Waddell:

Enclosed you will find the original Affidavit of James Muholland dated May 24, 2000. Copies have previously been filed in this docket. This original should be used to replace the copy that was filed in the docket file. The parties have also previously received copies.

Sincerely,



D. Billye Sanders

DBS:lmb
Enclosure

cc: Parties of Record
James P. Zietz, Esq.
James Muholland

POSTED
6-2-00

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

In re: Application of Nashville Gas)
Company, a Division of Piedmont Natural)
Gas Company, Inc., for an Adjustment of)
Its Rates and Charges, the Approval of)
Revised Tariffs and the Approval of Revised)
Service Regulations)

Docket No. 99-00994

AFFIDAVIT OF JAMES J. MULHOLLAND

STATE OF MICHIGAN

COUNTY OF WAYNE

Affiant James J. Mulholland, after first being duly sworn, hereby states:

1. I am over the age of 21 years, and make this affidavit from my personal knowledge.

2. I currently serve as the Manager of Natural Gas Programs for Ford Motor Land Services Corporation ("FMLSC"), a Delaware corporation. FMLSC is a wholly-owned subsidiary of Ford Motor Company ("Ford"), which has filed a Petition for Intervention in this docket.

3. In my capacity as Manager of Natural Gas Programs, I am in charge of procuring gas supply for Ford Motor Company and its subsidiaries, including Visteon Corporation, which has also filed a Petition for Intervention in this docket. Visteon Corporation currently operates a glass plant in Nashville (the "Glass Plant"). The Glass Plant currently employs approximately 1400 employees in Tennessee.

4. The Glass Plant relies upon natural gas for its day-to-day operations. In order to meet such demand, Ford negotiated a bypass deferral contract with Piedmont Natural Gas Company ("Piedmont") in 1993 which allowed the Glass Plant to transport natural gas to its facility at a specified rate agreed to by Piedmont and Ford. That contract was approved by the Tennessee Public Service Commission on April 6, 1993.

5. The contract between Ford and Piedmont has been extended through an Extension Agreement, approved by the Tennessee Regulatory Authority ("TRA") by order dated March 12, 1999, in Docket No. 98-00128. The intent of Piedmont and Ford in the original contract and Extension Agreement was to preserve the negotiated rate for the duration of the contract. The rate was set based upon economic problems that the Glass Plant has been facing since 1993, and the viable alternative of a bypass in order to achieve a more competitive rate.

6. The certainty of the natural gas transportation rate during the term of the contract is important to the operations of the Glass Plant because the glass manufacturing industry continues to be highly competitive and the industry continues to have more capacity than is required. Consequently, the economic situation at the Glass Plant has not significantly improved since 1993 and continuation of the rate is necessary for the plant to remain viable.

FURTHER AFFIANT SAITH NOT.

James J Mulholland -

JAMES J. MULHOLLAND
Manager, Natural Gas Programs
Ford Motor Land Services Corporation

Sworn to and subscribed before me, this 24 day of May, 2000.

Janice Ligetti
Notary Public

JANICE LIGETTI
Notary Public, Wayne County, Michigan
My Commission Expires August 10, 2000

My Commission expires: _____